

The Budget—Mr. de Corneille

has since declined. The 1986 figures, however, are higher than those of 1980. We have not made progress on this tremendously serious issue of systemic poverty. This Budget does not address that problem.

The second point I made was that there has been an increase in sales tax and income tax, putting a heavier burden on the people who can least afford it. The middle-income group is particularly hard hit. In 1987, for example, individuals paid \$22 billion more in income tax than in 1984 when the Tories came to power. The major portion of this came from new taxes introduced since September of 1984. In addition, we have seen an increased automatic tax that has been built into the system, a kind of hidden tax that automatically comes into effect year after year. We find increased indirect taxes as well. The income of people has been secretly undermined.

There have been constant increases in taxes. The list of sales tax increases is incredibly tragic. Year after year sales taxes have been built in to constantly increase the amount of money that must be paid. First there was a 9 per cent sales tax, then the next year a 10 per cent sales tax, then the next year an 11 per cent sales tax and the next year a 12 per cent sales tax. There are new taxes on items that had never been taxed before. Of course, there are more taxes on gasoline. Every time we turn around another cent or two per litre in taxes is applied to gasoline. Again, in this measure, we have seen another increase in sales tax to bring in another \$300 million to the Treasury and take \$300 million away, not from rich people, not from those who can afford it, but from the poor who have to drive to work or the middle-class who have to carry the social burdens of the country.

I mentioned the increase in public debt. We hear a lot of smoke and mirrors about how the deficit is being brought down. One would think from that that the national debt was receding. That, unfortunately, is not at all the case. On closer examination we find that since this Government came into power the national debt has increased \$116 billion. When we look at what the national debt was after having been built up for over a hundred years, it was \$176 billion when the Minister of Finance (Mr. Wilson) and the Tories took over in 1984. In the short three or so years of this Government, \$116 billion more has been added to the national debt. That means that there was a 66 per cent increase in our total debt in the short period of this Government's existence. This is under what is supposed to be a strategy which is called bringing down the deficit.

The deficit may be slightly lower this year than it was last year, but that certainly does not portend that the national debt has gone down, as most people think. On the contrary, it has risen higher and faster than at any time in the history of this country. That is the reality and this Budget has not addressed that problem either.

These are some of the matters that are of concern to us. The worst failure of all in this Budget is its total neglect for the fallout which will come from the so-called free trade deal. We

know that there will be tremendous negative repercussions from this trade deal. We know that it will hit the more economically depressed regions of Canada the hardest. We know that the most vulnerable people in the workforce are the ones who will be hit, the women and older workers. They will not be the ones who will be the most helped by this trade agreement, they will be the first to be hit the hardest. We also see that this agreement will destroy major sectors of our economy.

I think that those of us who have open minds will remember seeing an illustration of this in a recent episode of the television program, *The Journal*. *The Journal* interviewed a worker from the oil fields of Alberta. He resided either in Calgary or nearby. He was able to say that he was looking forward to the impact of the trade deal. He said that he thought that in future the Americans would be buying our gas and oil, and of course they will because it will provide an inexpensive resource for them. We have opened up the gates of our resources to America. The Americans will buy them, all right, at prices not more favourable to Canadians but of equal favour to them, and they will have access to our oil and gas and our water and other resources, something which is of course what they want. It will serve their purposes. This oil worker was able to say that he can look forward to knowing that there will be lots of work for him over many years to come. The Americans will be buying up our oil and gas at good prices, so he is quite sure that all will be well.

At the same time, while his industry was favoured by this agreement, the program interviewed a woman whose face those of us who saw it will never forget. We will never forget the look of anxiety, concern and gentleness. This woman is working at the Ganong chocolate factory in St. Stephen, New Brunswick. As we watched her working, hand-dipping chocolates, we saw that she was a person of middle-age, perhaps later middle-age. She wanted to work. She had worked all her life and she was skilled in this particular kind of work. She looked forward with some anxiety to what would happen when this trade agreement came into effect, what would happen to this little chocolate company in New Brunswick. In fact, she wondered what would happen to her job. When her boss and the owner of the company that is a hundred years old was interviewed, he had to admit that he did not know what would happen, he is anxious and does not know the repercussions.

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Indeed, when the Americans can flood Canadian markets with goods produced by the cheap labour they have in the south, often temporary immigrant labour, one can see how they can compete with Canada. When one understands the problems Canadians have with the transport of goods over greater distances, therefore adding to the cost, and when we look at the cost of energy required in our climate, we can understand the misgivings over whether Canada can compete without some kind of protection of its traditional markets.